Submit 3 copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-07005

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil / Gas Lease No

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI (FORM C-101) FOR SUCH PROPOSALS.

7. Lease Name or Unit Agreement Name: MARK OWEN

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER

8. Well No. 6

2. Name of Operator: CHEVRON USA INC

3 Address of Operator: 15 SMITH RD, MIDLAND, TX 79705

9. Pool Name or Wildcat: PENROSE SKELLY GRAYBURG

4. Well Location

Unit Letter O : 554' Feet From The SOUTH Line and 2086' Feet From The EAST Line

Section 34 Township 21-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPERATION	[ ]	PLUG AND ABANDONMENT	[ ]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER: HORIZONTAL	[X]		

12 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

4-17-07: MIRU. 4-18-07: TIH W/BIT & TAG @ 5080. PUMP 200 BBLS. WOULD NOT CIRC. 4-19-07: TIH TO 5000. WASH DN TO 5100, CIBP. TIH W/RETR TOOL. 4-20-07: WASH DN TO RBP, 4'. WORK LOOSE. TIH W/BIT TO 5470. 4-23-07: TIH W/RBP, PKR TO 3650. SET RBP. PULL UP. TEST CSG TO 500#. HELD. 4-24-07: PUMP 30 BBLS TO KILL WELL. TIH W/CIBP TO 5450. WOULD NOT SET. INSTALL ANOTHER PANEL. SET PLUG @ 5450. 4-26-07: TIH W/RBP & SET @ 2004. 4-27-07: RIG DOWN KEY #169. FINAL REPORT
6-08-07: MIRU PU. TIH W/RET TOOL TO 2004. LATCH ONTO RBP REL RBP. FLOWING.
6-11-07: LATCH ONTO RBP. REL RBP. TIH W/CIBP & SET @ 3633. TIH W/2 7/8" TBG & TAG @ 3633. WAIT ON DRILLING RIG.
6-29-07: MIRU. SPUD WELL. 6-30-07: TAG CIBP @ 3636. SET WHIPSTOCK @ 340 DEG AZIMUTH. MILL 3617-3620, 3625, 3628, 3660, 3688, 3895, 3941, 4098, 4110, 4193, 4202, 4231, 4236, 4256, 4268, 4319, 4329, 4382, 4397, 4462, 4477, 4572, 4591, 4698, 4716, 4824, 4836, 4888, 4919, 4931, 5108, 5124, 5204, 5224, 5330, 5340, 5348. 7-05-07: TD 6 1/8" HOLE@ 20:30 PM.
7-06-07. TIH W/LINER: PUMP OUT PLUG, FLOAT COLLAR, LANDING COLLAR. SET ANCHOR. CMT: PUMP 170 SX CL C W/.3% D65, .3% D167, 2% D174, .2% D46, MIXED @ 14.8 PPG, PLUG DOWN @ 18:00 PM. REV OUT 72 SX CMT. TIH W/RBP & SET @ 3000. 7-07-07. RIG DOWN. RELEASE RIG @ 05:30 AM.
8-15-07: MIRU. LATCH ONTO RBP @ 3000. REL RBP. TIH W/ON/OFF TOOL. REL. 8-17-07: TAG @ 4482. DRILL TO 4650'. 8-20-07: DRILL OUT FLOAT SHOE. ON VAC. TAG TD @ 5352' NO FILL. 8-21-07: TIH W/TBG TO 5352 SPOT 2000 GALS ACID. 8-24-07: FRAC W/246,500 GALS YF125.
8-27-07: SET CIBP @ 4600. SET PKR @ 3697. REL PKR. CIRC 100 BBLS REVERSE TO GET SAND OUT OF WELLBORE. TIH W/NEW COMPOSITE BP & SET @ 1980. 8-28-07: DRILL OUT BP. PUSH DN BP TO 4600 TIH W/BP & LAND @ 4594. PERF 3951-61, 4037-46, 4123-33, 4208-18, 4296-4306,
4384-94, 4470-80, 4559-69. 8-29-07: SET PKR @ 4532. REL PKR. PULL UP TO 3915 & RESET PKR. 8-30-07: FRAC W/211,000 GALS YF125. 8-31-07. TAG @ 4438. 9-04-07: TAG SAND @ 4432. C/O TO 4596. DRILL THRU CBP & PUH TO 4596. C/O TO 5348. 9-05-07: TAG SAND @ 4600. C/O 4' SAND BRIDGE & GO TO BTM. RUN PRISM LOG. 9-06-07: SET PKR @ 3498. SWAB. 9-10-07. TIH W/TBG & TAG @ TD. 9-11-07: SET PKR @ 3498.
9-12-07. REL PKR TIH W/2 3/8" TBG. TAG @ TD @ 5348. 9-13-07: LD 4 1/2" FRAC TBG. 9-17-07: TIH W/SUB PUMP & 2 7/8" TBG RIG DOWN. FINAL REPORT.
10-25-07: ON 24 HR OPT. PUMPING 13 OIL, 31 GAS, & 198 WATER. GOR-2429

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Denise Pinkerton TITLE Regulatory Specialist DATE 10/31/2007

TYPE OR PRINT NAME Denise Pinkerton Telephone No 432-687-7375

(This space for State Use)

APPROVED Gary W. White TITLE FIELD REPRESENTATIVE II/STATE MANAGER DATE NOV 27 2007

CONDITIONS OF APPROVAL, IF ANY:

DeSoto/Nichols 12-93 ver 1.0

Received NOV 2007 Hobbs OCD

Results of Directional Survey

API number:	30-025-07005			
OGRID:		Operator:	CHEVRON U S A INC	
		Property:	MARK OWEN	# 6

surface	ULSTR:	O	34	T	21S	R	37E
			554	FSL	2086	FEL	
BH Loc	ULSTR:	J	34	T	21S	R	37E
			2164	FSL	2279	FEL	

	MD	N/S	E/W	VD
	3500	3.32	19.79	3499.67
TOP PERFS/OH	**3951**	3.95	28.66	3950.62
	3593	3.45	21.62	3592.66
	4559	824.31	-88.98	3822.85
BOT PERFS/OH	**4569**	834.22	-90.30	3822.72
	4591	856.03	-93.19	3822.42

NEXT TO LAST	5254	1513.30	-177.91	3829.61
LAST READING	5286	1544.91	-182.83	3830.16
TD	**5352**	1610.11	-192.98	3831.29

Surface Location	554	FS	2086	FE
Projected BHL	2164	FS	2279	FE
Location of				
Top Perfs/OH	558	FS	2057	FE
Bottom Perfs/OH	1388	FS	2176	FE

SUMMARY of Subsurface Locations

Surface Location	O-34-21S-37E	554	FS	2086	FE	Vert. Depth
Top Perfs/OH	O-34-21S-37E	558	FS	2057	FE	3950.62
Bottom Perfs/OH	J-34-21S-37E	1388	FS	2176	FE	3822.72
Projected TD	J-34-21S-37E	2164	FS	2279	FE	3831 29

Scientific Drilling

SUR: O-34-21s-37e, 554/S & 2086/E
BHL: J-34-21s-37e, 2164/S & 2279/E
API # 30-025-07005

CHEVRON

Field: Mark Owen
Site: Lea County, NM
Well: Mark Owen #6H
Wellpath: DH - Job #32D0607552
Survey: 06/30/07-07/06-07

This survey is correct to the best of my knowledge
and is supported by actual field data.

.....Company Representative

Notorized this date 18th of September, 2007.

Notary Signature
County of Midland
State of Texas

NOTARY PUBLIC STATE OF TEXAS
DEBORAH SUE BYNUM
Notary Public, State of Texas
My Commission Expires
5/9/08

Scientific Drilling

Scientific Drilling International
Survey Report

Company:	CHEVRON	**Date:** 09/12/2007	**Time:** 19:08:19	**Page:**	1
Field:	Mark Owen	**Co-ordinate(NE) Reference:**	Site: Lea County, NM, Grid North		
Site:	Lea County, NM	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	Mark Owen #6H	**Section (VS) Reference:**	Well (0.00N,0.00E,352.71Azi)		
Wellpath:	VH - Job #32K0607553	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey:	06/30/07 KSRG 0'-3593'	**Start Date:**	06/30/2007
Company:	Scientific Drilling Internatio	**Engineer:**	Madrid w/GeoGyro
Tool:	Keeper;Keeper Gyro	**Tied-to:**	From Surface

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.16	334.19	100.00	0.13	0.13	-0.06	0.16	0.14	334.19
200.00	0.10	315.21	200.00	0.33	0.31	-0.18	0.07	0.36	329.70
300.00	0.11	190.22	300.00	0.31	0.28	-0.26	0.19	0.38	317.03
400.00	0.24	213.35	400.00	0.06	0.01	-0.39	0.15	0.39	271.65
500.00	0.27	221.90	500.00	-0.25	-0.34	-0.67	0.05	0.75	243.03
600.00	0.24	217.03	600.00	-0.56	-0.68	-0.95	0.04	1.17	234.34
700.00	0.50	219.01	699.99	-1.01	-1.19	-1.35	0.26	1.80	228.67
800.00	0.45	229.49	799.99	-1.52	-1.78	-1.92	0.10	2.62	227.19
900.00	0.39	236.99	899.99	-1.89	-2.22	-2.51	0.08	3.35	228.45
1000.00	0.46	233.26	999.99	-2.23	-2.65	-3.11	0.08	4.09	229.63
1100.00	0.36	242.39	1099.98	-2.54	-3.03	-3.71	0.12	4.80	230.76
1200.00	0.21	237.82	1199.98	-2.72	-3.28	-4.15	0.15	5.29	231 69
1300.00	0.25	221.00	1299.98	-2.95	-3.54	-4.45	0.08	5.68	231.48
1400.00	0.20	154.81	1399.98	-3.26	-3.86	-4.52	0.25	5.94	229.46
1500.00	0.16	15.78	1499.98	-3.30	-3.89	-4.40	0.34	5.87	228.58
1600.00	0.27	44.22	1599.98	-3.02	-3.58	-4.20	0.15	5.52	229.55
1700.00	0.38	124.67	1699.98	-3.10	-3.60	-3.76	0.43	5.21	226.26
1800.00	0.31	49.80	1799.98	-3.17	-3.62	-3.28	0.42	4.88	222.25
1900.00	0.64	39.17	1899.97	-2.64	-3.01	-2.73	0.34	4.06	222.17
2000.00	0.82	40.15	1999.97	-1.77	-2.03	-1.91	0.18	2.79	223.29
2100.00	0.89	29.40	2099.95	-0.66	-0.80	-1.07	0.17	1.34	233.01
2200.00	0.85	24.46	2199.94	0.59	0.55	-0.38	0.08	0.67	325.22
2300.00	0.76	22.68	2299.93	1.80	1.83	0.18	0.09	1.84	5.70
2400.00	0.83	16.31	2399.92	3.03	3.14	0.64	0.11	3.21	11.55
2500.00	0.86	26.01	2499.91	4.33	4.51	1.17	0.15	4.66	14.60
2600.00	0.90	25.77	2599.90	5.61	5.89	1.85	0.04	6.17	17.39
2700.00	0.79	32.41	2699.89	6.80	7.18	2.56	0.15	7.62	19.59
2800.00	0.87	97.36	2799.88	7.14	7.67	3.68	0.89	8.50	25.63
2900.00	1.72	110.70	2899.86	6.24	7.04	5.84	0.90	9.14	39.66
3000.00	1.84	104.05	2999.81	4.95	6.12	8.80	0.24	10.72	55.18
3100.00	1.48	104.55	3099.77	3.89	5.40	11.60	0.36	12.80	65.03
3200.00	1.27	104.81	3199.74	2.99	4.80	13.93	0.21	14.73	70.99
3300.00	1.22	106.43	3299.71	2.15	4.21	16.02	0.06	16.56	75.27
3400.00	1.07	107.64	3399.69	1.32	3.63	17.93	0.15	18.29	78.56
3500.00	1.11	91.50	3499.67	0.78	3.32	19.79	0.31	20.06	80.48
3593.00	1.17	80.89	3592.66	0.67	3.45	21.62	0.24	21.90	80.94

Scientific Drilling

Scientific Drilling International
Survey Report

Company:	CHEVRON	**Date:**	09/12/2007	**Time:** 19:15:21	**Page:** 1
Field:	Mark Owen	**Co-ordinate(NE) Reference:**	Site: Lea County, NM, Grid North		
Site:	Lea County, NM	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	Mark Owen #6H	**Section (VS) Reference:**	Well (0.00N,0.00E,352.71Azi)		
Wellpath:	DH - Job #32D0607552	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey:	06/30/07-07/06-07 MWD 3617'-5286'	**Start Date:**	06/30/2007
Company:	Scientific Drilling Internatio	**Engineer:**	Melendez/Foster/Boyd/Beccue/Gr
Tool:	MWD;MWD	**Tied-to:**	From: Definitive Path

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
3593.00	1.17	80.89	3592.66	0.67	3.45	21 62	0.00	21.90	80.94
3617.00	1.17	80.89	3616.65	0.69	3.52	22.11	0.00	22.39	80.94
3677.00	17.20	359.59	3675.74	9.58	12.56	22.65	28.44	25.90	61.00
3709.00	26.46	358.40	3705.41	21.40	24.44	22.42	28.97	33.17	42.53
3740.00	35.68	357.08	3731.94	37.32	40.41	21.77	29.82	45.90	28.31
3772.00	45.03	354.23	3756.30	57.99	61.04	20.15	29.78	64.28	18.27
3804.00	54.28	352.01	3776.99	82.35	85.22	17.20	29.38	86.94	11.41
3836.00	63.71	350.90	3793.46	109.74	112.31	13.11	29.62	113.07	6.66
3866.00	72.02	350.36	3804.75	137.48	139.70	8.59	27.75	139.97	3.52
3897.00	81.29	350.36	3811.90	167.59	169.41	3.55	29.90	169.45	1.20
3929.00	86.13	350.86	3815.41	199.37	200.78	-1.64	15.20	200.79	359.53
3961.00	88.59	351.25	3816.88	231.32	232.36	-6.61	7.78	232.45	358.37
3991.00	88.86	351.15	3817.55	261.30	261.99	-11.20	0.96	262.23	357.55
4023.00	88.86	350.77	3818.18	293.28	293.59	-16.23	1.19	294.04	356.84
4054.00	88.86	350.31	3818.80	324.25	324.16	-21.32	1.48	324.86	356.24
4086.00	89.60	350.18	3819.23	356.22	355.70	-26.74	2.35	356.70	355.70
4117.00	90.91	352.20	3819.09	387.20	386.33	-31.49	7.77	387.61	355.34
4149.00	92.12	352.57	3818.25	419.19	418.03	-35.73	3.95	419.56	355.11
4180.00	92.76	352.87	3816.93	450.16	448.76	-39.65	2.28	450.51	354.95
4212.00	91.21	352.49	3815.82	482.14	480.48	-43.73	4.99	482.46	354.80
4244.00	90.13	352.15	3815.44	514.14	512.19	-48.00	3.54	514.43	354.65
4275.00	88.79	352.22	3815.74	545.13	542.90	-52.22	4.33	545.40	354.51
4307.00	88.96	352.34	3816.36	577.13	574.60	-56.52	0.65	577.37	354.38
4338.00	88.36	352.60	3817.09	608.12	605.32	-60.58	2.11	608.35	354.29
4370.00	88.25	352.84	3818.04	640.10	637.05	-64.63	0.82	640.32	354.21
4401.00	86.30	352.40	3819.51	671.07	667.76	-68.61	6.45	671.27	354.13
4433.00	86.43	352.32	3821.54	703.00	699.41	-72.86	0.48	703.20	354.05
4464.00	87.65	352.24	3823.14	733.96	730.09	-77.01	3.94	734.14	353.98
4496.00	90.07	352.88	3823.78	765.95	761.81	-81.16	7.82	766.12	353.92
4528.00	90.87	352.99	3823.51	797.95	793.57	-85.09	2.52	798.12	353.88
4559.00	91.58	352.60	3822.85	828.94	824.31	-88.98	2.61	829.10	353.84
4591.00	89.97	352.28	3822.42	860.94	856.03	-93.19	5.13	861.09	353.79
4623.00	89.66	351.58	3822.52	892.93	887.71	-97.68	2.39	893.07	353.72
4654.00	90.30	351.51	3822.53	923.93	918.38	-102.24	2.08	924.05	353.65
4686.00	91.08	351.69	3822.15	955.92	950.03	-106.91	2.50	956.03	353.58
4717.00	89.16	351.65	3822.08	986.91	980.70	-111.40	6.19	987.01	353.52
4749.00	88.86	351.31	3822.63	1018.90	1012.35	-116.14	1.42	1018.99	353.46
4780.00	89.23	351.62	3823.15	1049.89	1043.00	-120.74	1.56	1049.96	353.40
4812.00	89.83	352.05	3823.41	1081.88	1074.67	-125.29	2.31	1081.95	353.35
4843.00	88.29	352.00	3823.92	1112.88	1105.37	-129.59	4.97	1112.94	353.31
4875.00	88.45	352.34	3824.83	1144.86	1137.06	-133.95	1.17	1144.92	353.28
4906.00	88.79	352.64	3825.58	1175.85	1167.78	-138.00	1.46	1175.91	353.26
4937.00	86.71	352.80	3826.80	1206.83	1198.51	-141.92	6.73	1206.88	353.25
4969.00	87.18	353.30	3828.50	1238.78	1230.23	-145.79	2.14	1238.83	353.24
5001.00	88.09	353.79	3829.82	1270.75	1262.00	-149.38	3.23	1270.81	353.25
5033.00	89.19	354.64	3830.58	1302.73	1293.82	-152.61	4.34	1302.79	353.27
5064.00	89.43	354.65	3830.96	1333.71	1324.68	-155.50	0.77	1333.78	353.30
5096.00	90.34	355.35	3831.02	1365.68	1356.56	-158.29	3.59	1365.77	353.34
5128.00	90.64	353.35	3830.75	1397.67	1388.40	-161.44	6.32	1397.76	353.37

Scientific Drilling

Scientific Drilling International
Survey Report

Company:	CHEVRON	**Date:**	09/12/2007	**Time:** 19:15:21	**Page:** 2
Field:	Mark Owen	**Co-ordinate(NE) Reference:**	Site: Lea County, NM, Grid North		
Site:	Lea County, NM	**Vertical (TVD) Reference:**	SITE 0.0		
Well:	Mark Owen #6H	**Section (VS) Reference:**	Well (0.00N,0.00E,352.71Azi)		
Wellpath:	DH - Job #32D0607552	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
5160.00	91.08	352.87	3830.27	1429.66	1420.17	-165.28	2.03	1429.75	353.36
5191 00	91.68	352.79	3829.52	1460.65	1450.92	-169.15	1.95	1460.74	353.35
5223.00	89.60	352.00	3829.16	1492.65	1482.63	-173.38	6.95	1492.74	353.33
5254.00	88 76	351.20	3829.61	1523.64	1513.30	-177.91	3.74	1523.72	353.29
5286.00	89.26	351.11	3830.16	1555.62	1544.91	-182.83	1.59	1555.69	353 25

2099' 2269'

Scientific Drilling

Field: Mark Owen
Site: Lea County, NM
Well: Mark Owen #6H
Wellpath: DH - Job #32D0607552
Survey: 06/30/07-07/06-07